



Duet acquires New Star assets with launch of active Africa fund

The Duet Group has launched its Duet Africa Opportunities Fund, having raised fresh capital for the strategic acquisition of assets in New Star's Heart of Africa Fund, which was suspended in December after liquidity problems.

The New Star fund, managed by Jamie Alsopp, offered daily liquidity, and was hit by withdrawals as the listed global group suffered last year. The firm was acquired by Henderson Global Investors in January.

Duet's actively managed long-only fund, which can invest in multiple asset classes, is run by Dr Ayo Salami. It focuses on Africa excluding South and North Africa. It is the second African offering from the London-based group, which has around \$2 billion under

management in global hedge funds, funds of funds and private equity.

The new portfolio currently has 33 positions and Salami will be looking to reposition it over time, focusing on domestic demand. The fund offers monthly liquidity and 90 days' notice, with a minimum investment of \$1 million.

A chartered accountant with a PhD in finance, Salami taught at the Cass Business School before spending seven years with Nomura in London as an equity analyst, covering industrial and commercial companies in Africa. He began working with Duet in late 2007 to create the proprietary Duet Victoire Africa Index, upon which the group's flagship Africa fund is based. The index focuses



Dr Ayo Salami

on large companies in sub-Saharan Africa, with a minimum market cap of \$250 million. Currently comprising 74 companies, it gained 64% in 2007 and dropped 54.51% last year.

Salami says African companies face the anomalous situation of falling share prices and rising earnings growth. He believes African stock markets, which fell an average of 50% last year, face a significant re-rating once global investor panic has subsided.

Salami says Duet has been able to raise decent capital for the new fund in a short space of time, proving investor interest in Africa, even in current global conditions.

Duet has also just launched a Middle East North Africa fund, a multi-strategy fund managed by Rabih Sultani in Dubai.